

AR03



**ALINA  
MINES AND  
OILS LTD.**  
(N.P.L.)

**ANNUAL  
REPORT TO  
SHAREHOLDERS**

**SEPTEMBER  
1968**





## NOTES TO FINANCIAL STATEMENTS

AS AT JUNE 30, 1968

1. As at June 30, 1967 the company held 10,000 common shares of Captain International Industries Ltd., the market value of which was \$6,000 at that date. During the 1968 fiscal year 4,000 shares were sold to finance operations. The proceeds of these sales were \$31,945 in excess of the cost of the shares sold. As at June 30, 1968 the company held 6,000 shares, the market value of which was then \$53,250.
2. Pursuant to the terms of an agreement dated January 9, 1968, the company agreed to participate in the Double 'A' Mining Syndicate for the purpose of staking in excess of 200 claims near Whitehorse in the Yukon Territories. In return for a 45% interest in the syndicate, the company subsequently advanced \$11,500 to the syndicate as the company's share of financing operations.

On March 19, 1968, Double 'A' Mines Ltd. (N.P.L.) was incorporated as a specially limited private company under the laws of the Province of British Columbia. By agreement of March 27, 1968, the syndicate sold certain mineral claims to Double 'A' Mines Ltd. (N.P.L.) for 750,000 fully paid shares of that company. 337,500 of such shares were issued to Alina Mines and Oils Ltd. (N.P.L.) representing the company's proportionate interest in the syndicate.

As at August 6, 1968, the claims referred to above were in the process of being transferred to Double 'A' Mines Ltd. (N.P.L.).

In April, 1968, Alina Mines and Oils Ltd. (N.P.L.) paid \$12,500 to Double 'A' Mines Ltd. (N.P.L.) for the purchase of a further 125,000 fully paid shares of that company.

3. In July, 1968, the company borrowed \$15,000 from the bank, pledging the shares mentioned in Note 1 above as collateral for the loan. The proceeds of the loan were then advanced to Double 'A' Mines Ltd. (N.P.L.) in return for a \$15,000 promissory note payable on demand and bearing interest at 8% per annum. Alina Mines and Oils Ltd. (N.P.L.) has the option to convert the loan to subscribe for 150,000 shares of Double 'A' Mines Ltd. (N.P.L.) at ten cents per share, provided that the latter company is still a private company at the time of conversion of the loan.



## STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR TO JUNE 30, 1968

(with comparative figures from incorporation, March 14, 1966 to June 30, 1967)

	<u>Total</u>	<u>Year Ended June 30, 1968</u>	<u>March 14, 1966 to June 30, 1967</u>
<b>SOURCE OF FUNDS</b>			
Sale of shares	\$354,363	\$32,045	\$322,318
Revenue from oil and gas properties	<u>9,472</u>	<u>6,701</u>	<u>2,771</u>
	<u>363,835</u>	<u>38,746</u>	<u>325,089</u>
<b>APPLICATION OF FUNDS</b>			
Purchase of mineral claims	36,580	1,000	35,580
Purchase of interests in oil and gas properties	247,895	3,902	243,993
Purchase of office equipment	1,057	-	1,057
Investment in shares of Double 'A' Mines Ltd. (N.P.L.)	24,000	24,000	-
Incorporation expense	5,053	-	5,053
Exploration, development and other expenditures (Exhibit B)	37,506	(3,427)	40,933
Expenditures represented by shares issued for services rendered	<u>(6,100)</u>	<u>-</u>	<u>(6,100)</u>
	<u>345,991</u>	<u>25,475</u>	<u>320,516</u>
<b>INCREASE IN WORKING CAPITAL, as below</b>	<b>\$ 17,844</b>	<b>\$13,271</b>	<b>\$ 4,573</b>
	<b>=====</b>	<b>=====</b>	<b>=====</b>
<b>WORKING CAPITAL</b>			
Beginning of period	\$ -	\$ 4,573	\$ -
End of period	<u>17,844</u>	<u>17,844</u>	<u>4,573</u>
Increase, as above	<u>\$ 17,844</u>	<u>\$13,271</u>	<u>\$ 4,573</u>
	<b>=====</b>	<b>=====</b>	<b>=====</b>

## STATEMENT OF EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES

FOR THE YEAR TO JUNE 30, 1968

(with comparative figures from incorporation, March 14, 1966 to June 30, 1967)

	<u>Total</u>	<u>Year Ended June 30, 1968</u>	<u>March 14, 1966 to June 30, 1967</u>
EXPLORATION AND DEVELOPMENT			
Deposit in lieu of assessment work (refunded 1968)	\$ -	\$(10,000)	\$10,000
Engineering and geology	2,252	487	1,765
Induced polarization	31,477	31,477	-
Labour, rentals, plane charters	1,284	-	1,284
Line cutting	7,414	-	7,414
Mounding costs	1,080	-	1,080
Prospecting expenditures	1,515	-	1,515
Recording and grouping fees	1,010	394	616
	<u>46,032</u>	<u>22,358</u>	<u>23,674</u>
GENERAL AND ADMINISTRATIVE			
Accounting and audit	2,100	575	1,525
Advertising	328	-	328
Bank charges and interest	319	319	-
Legal fees	6,209	2,337	3,872
Licences	449	-	449
Office expense	3,386	1,135	2,251
Professional consulting fees regarding negotiations and other corporate matters	8,000	-	8,000
Telephone	305	182	123
Transfer agent's fees	1,819	1,439	380
Travel	504	173	331
	<u>23,419</u>	<u>6,160</u>	<u>17,259</u>
Gain on sale of investments (Note 1)	<u>(31,945)</u>	<u>(31,945)</u>	<u>-</u>
TOTAL EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES FOR THE PERIOD (EXHIBIT A)	\$ 37,506 =====	\$( 3,427) =====	\$40,933 =====



## LIABILITIES AND SHAREHOLDERS' EQUITY

## CURRENT LIABILITIES

Accounts payable

\$ -

\$ 7,706

## SHAREHOLDERS' EQUITY

Share Capital

Authorized:

5,000,000

Common shares of 50¢ each par value

Issued:

970,005 Shares for cash (1967-902,605 shares)

485,003

451,303

Discount

(128,000)

(128,000)

Commission

( 2,640)

( 985)

354,363322,318

364,995 Shares for services

182,497

182,497

Discount

(176,397)

(176,397)

6,100

6,100

50,000 Shares for mineral claims

25,000

25,000

31,10031,1001,385,000

385,463

353,418

Cost of mineral claims abandoned

( 11,080)

( 8,100)

374,383345,318

\$ 374,383

\$ 353,024

This is the balance sheet referred to in our report dated August 6, 1968, and it should be read in conjunction with the notes forming an integral part thereof and appearing in accompanying Exhibit D.

*Hallam, McAlister, McAfee & Bell*  
Chartered Accountants

## ALINA MINES AND OILS LTD. (N.P.L.)

## BALANCE SHEET

AS AT JUNE 30, 1968

(with comparative figures as at June 30, 1967)

	ASSETS	<u>1968</u>	<u>1967</u>
CURRENT ASSETS			
Cash		\$ 8,451	\$ 146
Marketable securities, at cost (Note 1)		6,900	11,500
Accounts receivable		<u>2,493</u>	<u>633</u>
		<u>17,844</u>	<u>12,279</u>
MINERAL CLAIMS, at cost		<u>50,500</u>	<u>52,480</u>
INTEREST IN OIL AND GAS PROPERTIES, at cost		247,895	243,993
Production revenue received		<u>( 9,472)</u>	<u>( 2,771)</u>
		<u>238,423</u>	<u>241,222</u>
INVESTMENT IN DOUBLE 'A' MINES LTD. (N.P.L.), at cost			
Common shares (Note 2)		<u>24,000</u>	<u>-</u>
OFFICE EQUIPMENT, at cost		<u>1,057</u>	<u>1,057</u>
DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES, at cost (Exhibit B)			
Balance at beginning of period		40,933	-
Expenditures for the period		<u>( 3,427)</u>	<u>40,933</u>
		<u>37,506</u>	<u>40,933</u>
INCORPORATION AND ORGANIZATION EXPENSE, at cost		<u>5,053</u>	<u>5,053</u>
		<u>\$ 374,383</u>	<u>\$ 353,024</u>
		=====	=====

APPROVED ON BEHALF OF THE BOARD

W. L. Gaff Director

Edgar Lofgren Director



HALLAM, McALISTER, McAFEE & PEW

CHARTERED ACCOUNTANTS

TELEPHONE 685-1933

630 NESBITT THOMSON BUILDING  
890 WEST PENDER STREET  
VANCOUVER 1, B.C.

R. J. HALLAM, C.A.  
D. McALISTER, C.A.  
B. P. McAFEE, C.A.  
C. G. PEW, B.COMM., C.A.

AUDITORS' REPORT

The Shareholders,  
Alina Mines and Oils Ltd. (N.P.L.),  
Vancouver, B. C.

We have examined the balance sheet of Alina Mines and Oils Ltd. (N.P.L.) as at June 30, 1968 and the statements of exploration, development and other expenditures and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at June 30, 1968, and the results of its operations and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

*Hallam, McAlister, McAfee & Pew*

Chartered Accountants

Vancouver, B. C.  
August 6, 1968



McCullough Mining Enterprises Inc. has an authorized capital of 400,000 shares and when the contract with Alina is completed McCullough will proceed to obtain title to about 30,000 square meters of placer gold leases in the Pinogana District, Province of Dasien, in the Republic of Panama. Test drilling and trial production has been recently recommended for this property.

Shareholders are also being asked to give directors the right to increase the interest held by Alina in the Double A Mines Ltd. from the present 45% to 75% at any time directors feel justified in increasing the interest. The Double a Mines property consists of 210 claims, located 25 miles southwest of Whitehorse, Yukon. Work to date on the ground has included an airborne magnetometer survey, followed by the drilling of a series of short holes which located favourable geology and minor amounts of copper mineralization. The current work is an induced polarization survey by Seigel and Associates Ltd. Diamond drilling will be undertaken as soon as possible after the survey work is completed if results justify. The property is on the extension of the Whitehorse Copperbelt and has considerable potential.

The 15½% interest in the Brett Arco et al Haig Lake 16-31-104-4W4 well which is held by Alina will have its value established this Fall when the final tests of the well are carried out.

In the Pine Point area Alina had the geophysical surveys completed at an approximate cost of \$25,000. This work produced no significant results and the 111 claims covered by the assessment work are being retained for the present.

As seen in the financial statements the production from the Innis-Midale field has been satisfactory and is expected to increase as the unitization of the field is completed.

Additional information on the company's various transactions will be presented to the annual meeting.

Respectfully submitted on behalf of the board of directors.

Kerr E. G. Gaff,  
President.

## **ALINA MINES and OILS Ltd.**

September 3, 1968.

To the Shareholders:

Since the previous report to shareholders in April 1968 the whole nature of the company has been expanded and changed so that it is no longer a modest mining and oil exploration company but a well financed corporation with completed contracts which give Alina the right to acquire substantial interests in the following projects:

A steel mill complex in Albuquerque, New Mexico

A mine in San Bernardino County, California, with huge reserves of mineral sand containing commercial quantities of: Free Magnetite; Clean Silica; Feldspar; Ilminite; Oxides of Rare Earths

A placer gold prospecting lease in the Republic of Panama where exploratory drilling and trial production runs have been recommended.

All of these are in addition to the interests held by the company in: the Double A Mines Ltd. with its property in the area of Whitehorse, Yukon; the interest in the producing Innis-Midale oil wells; the Brett test well in the Rainbow oil field, as well as the retained Pine Point property.

Elsewhere in this report (in the Notice of meeting and in the information circular under 'Other Matter To Be Acted Upon') the main points of the recently completed contract are outlined. Under these contracts, if approved at the shareholders meeting to be held September 24, 1968, in the Georgia Hotel, Vancouver, and when approved by the various regulatory authorities and the shareholders of the other companies the following three principal transactions will take place:

1. Alina will sell 1,100,000 treasury shares to Sandia Metals Corporation Ltd. of New Mexico for 500,000 treasury shares of Sandia Metals Ltd.
2. Alina will receive a loan from Sandia Metals in the amount of \$250,000. This loan will be repayable to Sandia out of profits.
3. Alina will purchase a 51% interest in McCullough Mining Enterprises Inc. by the issue of 250,000 treasury shares.

Sandia Metals Ltd. presently has 5,000,000 shares authorized and plans to shortly increase this to 20,000,000 and carry out public financing in the amount of \$7,000,000 to be used in the construction of a steel mill in Albuquerque, New Mexico, for which the feasibility report has been completed and for which 80 acres have been acquired at a cost of \$300,000.

Sandia also holds a 100% interest in the Parker-Jernberg Mine located in the San Bernardino County, California, where reserves are estimated at 10 billion tons of sand containing: 2% free magnetite, 30% clean silica-feldspar, 0.5% marketable titanium oxide. A recent feasibility study on this property stated that a capital cost of \$51,000,000 invested in production facilities for this property will return a \$15,000,000 annual net profit.





Sandia has also acquired a 100% interest in the Parker-Jernberg Mine located in San Bernardino County, California, U.S.A., composed entirely of sand containing free magnetite, clean silica and feldspar and minor amounts of free ilmenite and oxides of rare earths. The deposit covers an area of 40.5 square miles and is estimated to contain 10 billion tons of sand with an average magnetite content of 2.0% marketable, silica-feldspar content of 30% and marketable titanium oxide content of 0.50%. Your Company is in possession of a feasibility study on this property dated March 1968 which estimates net annual profits of approximately \$15,000,000 on an investment of \$51,000,000 and the life of the mine is estimated at 155 years.

O. J. McCullough owns McCullough Inc., a Panamanian Corporation, with authorized capital of 400,000 shares at \$10.00 par value. Under the above agreement McCullough Inc. will obtain title to 29,951 square meters of placer gold leases located in the Pinogana District, Province of Dasien, in the Republic of Panama. S. H. Glassmire, Professional Engineer, in his report dated April 24th, 1967 states, "On the basis of all data to date, both the expense of the drilling and the trial production are definitely justified. Both should be financed by speculative capital since, even though the signs are favourable, there is no assurance of a valuable mine and the exact economies cannot, as yet, be predicted."

L. J. Manning, P.Eng., in his letter dated August 16th, 1968 states that line cutting and I.P. Survey are proceeding on schedule on Double A Mines Ltd.'s claims near Whitehorse, Y.T. of which Alina presently owns 45%.

It is a requirement of the above agreement that the shares referred to therein will be held in escrow with the Guaranty Trust Company of Canada and not released without the consent of the Superintendent of Brokers of British Columbia, and other conditions contained in the above referred to agreement.

It is not known that any other matters will come before the Meeting other than as set out in the Notice of Meeting but if such should occur the persons named in the accompanying proxy intend to vote on them in accordance with their best judgment exercising discretionary authority with respect to amendments or variations of matters identified in the notice of meeting and other matters which may properly come before the meeting or any adjournment thereof.

DATED at Vancouver, British Columbia the 5th day of September, 1968.

BY ORDER OF THE BOARD  
Kerr E. G. Gaff,  
President.



## ELECTION OF DIRECTORS

The Board presently consists of four Directors. The Directors of the Company are elected annually and hold office until the next Annual General Meeting of Shareholders or until their successors in office are duly elected. In the absence of notice to the contrary, the enclosed proxy will be voted for the nominees listed in this Circular, all of whom with the exception of Marion Brown, are currently members of the Board of Directors. The Management does not contemplate that any of the nominees will be unable to serve in this capacity.

Name	Principal Occupation	Date of First Election to the Board
Kerr E. G. Gaff	Barrister and Solicitor; Partner in the law firm of McFarlane, Friesen & Gaff	March 14th, 1966
Alex H. Lenec	Chartered Accountant; President of Pyramid Mining Co. Ltd. (N.P.L.)	March 14th, 1966
Robert Rooney	Insurance Claim Examiner	March 14th, 1966
Edgar Laflamme	Retired	March 14th, 1966
Marion Brown	President, Sandia Metals Corporation	Proposed Nominee

Shares of the Company are beneficially owned by the Directors of the Company as follows:

Name	No. of Shares
Kerr E. G. Gaff	235,000
Alexander Lenec	100,000
Edgar Laflamme	100,000
Robert Rooney	69,000

## REMUNERATION OF MANAGEMENT

None of the Directors of the Company received any remuneration as such. Kerr E. G. Gaff, as Solicitor for the Company, has been paid reasonable legal fees for services performed by him for the Company as solicitor of the Company.

There are no outstanding options to purchase shares of the Company except those referred to in the agreement below.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No material interest, direct or indirect, was held in any transaction of the Company since the commencement of the Company's last financial year, by any director or officer of the Company, nor to the best of the knowledge of the directors, by any shareholder holding in excess of 10% of the shares of the Company.

## APPOINTMENT OF AUDITORS

Hallam, McAlister, McAfee and Pew have offered themselves for appointment as the Company's Auditors.

## OTHER MATTERS TO BE ACTED UPON

By an agreement dated August 1st, 1968 between Sandia Metals Corporation, a New Mexico Corporation, one of the states of the United States of America (hereinafter referred to as "Sandia"), Alina Mines and Oils Ltd. (N.P.L.) (hereinafter referred to as "Alina"), McCullough Mining Enterprises Inc. (hereinafter referred to as "McCullough Inc."), a Panamanian Corporation and O. J. McCullough of Houston, Texas, U.S.A., whereby Sandia agrees to purchase 1,100,000 shares of Alina for the consideration of 500,000 shares of Sandia Metals Corporation, and further agrees to make a loan to Alina of \$250,000 to be repaid out of profits; Further Alina agrees to purchase from O. J. McCullough 51% of the authorized, issued and outstanding capital stock of McCullough Inc. for the consideration of 250,000 shares of Alina. Sandia further agrees to loan McCullough Inc. \$1,000,000 for further exploration and production of Panama property. Sandia is to receive 24% of the stock of McCullough Inc. and O. J. McCullough is to receive 250,000 shares of Sandia. The entire agreement is subject to the approval of the B.C. Securities Commission, the Securities and Exchange Commission of the United States of America and Corporation Commission, State Banking Department, Securities Commissioner, of the State of New Mexico.

Sandia is presently capitalized at 5,000,000 shares.

Sandia plans raising funds through a public offering of its stock at between \$5.00 and \$10.00 per share to finance a \$7,000,000 steel mill in Albuquerque, New Mexico, for which Sandia has a comprehensive feasibility study and has also acquired 80 acres of land for the steel mill site at a cost of \$300,000.

# **ALINA MINES and OILS Ltd.**

## **INFORMATION CIRCULAR**

as at August 26th, 1968

This Information Circular is furnished in connection with the solicitation of proxies by the Management of ALINA MINES AND OILS LTD. (N.P.L.) for the Annual General Meeting of Shareholders of the Company to be held on Tuesday, September 24th, 1968 in the Kent Room, Hotel Georgia, 801 West Georgia Street, Vancouver, British Columbia at 10:00 a.m. and at any adjournment thereof for the purposes set forth in the accompanying notice of meeting.

### **REVOCABILITY OF PROXY**

Any shareholder having returned the enclosed form of proxy and subsequently wishing to revoke same prior to the notice of exercise of the proxy, may accomplish this by written notice to the head office of the Company or the Chairman of the Meeting at which the instrument appointing the proxy may be used and shall be served on the proxy either personally or by mail addressed to his last known address and upon either of such deposits and upon either personal service or the expiration of two days of mailing the instrument appointing the proxy it shall be revoked.

### **PERSONS MAKING THE SOLICITATION**

THE ENCLOSED FORM OF PROXY IS BEING SOLICITED ON BEHALF OF THE MANAGEMENT OF THE COMPANY. The cost of the solicitation will be paid by the Company. Solicitations will be made by mail, supplemented by telephone or other personal contact by the proper officers and employees of the Company without special compensation. The Company may reimburse shareholders nominees or agents for the cost incurred in obtaining their principals authorization to execute forms of proxy. No solicitation will be made by specifically engaged employees or soliciting agents.

### **VOTING OF PROXIES**

The Shareholder has the right to appoint a person to attend and act for him and on his behalf at the meeting other than the persons designated in the accompanying form of Proxy. To exercise this right the Shareholder may insert the name of the desired person in the blank space provided in the proxy and strike out the other names or may submit another proxy.

The shares represented by proxies in favour of the management will be voted as indicated above except where the person or company whose proxy is solicited specifies a choice with respect to any matter to be acted upon in which event the shares shall, subject to Section 103 of the Securities Act, 1967 be voted in accordance with the specifications so made.

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

The Company has at present only one class of shares authorized. The Company has an authorized capital of \$2,500,000, divided into 5,000,000 shares with the par value of 50c each, and at the date hereof there are issued and outstanding 1,385,000 shares. Each such share issued and outstanding is entitled to one vote. Only those shareholders of record on September 5th, 1968 shall be entitled to vote at the forthcoming meeting.

Shareholders desiring to be represented by proxy at the Meeting must deposit their proxy form with the Company or the Guaranty Trust Company of Canada before 10:00 in the forenoon (Vancouver time) on Friday, the 20th day of September, 1968.

To the knowledge of the Directors and senior officers of the Company, as of August 26th, 1968, the only person holding, directly or indirectly, more than 10% of the outstanding voting shares of the Company is:

Kerr E. G. Gaff \_\_\_\_\_ 235,000  
4060 Delbrook Avenue,  
North Vancouver, B.C.

The foregoing does not reflect the 1,100,000 shares proposed to be issued to Sandia Metals Corporation or the 250,000 shares to be issued to O. J. McCullough referred to in item (g) of the Notice of Meeting.



# **ALINA MINES and OILS Ltd.**

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Alina Mines and Oils Ltd. (N.P.L.) will be held in the Kent Room of the Hotel Georgia, 801 West Georgia Street, Vancouver, British Columbia on Tuesday, the 24th day of September, 1968 at the hour of 10:00 in the forenoon, for the following purposes:

- (a) To receive and approve the Annual Report of the Directors to the Shareholders and the Financial Statements of the Company for the period ended June 30th, 1968 together with the reports of the Auditors thereon;
- (b) To appoint Auditors and to authorize the Directors to fix the remuneration to be paid to the Auditors;
- (c) To ratify, confirm and approve all acts, deeds and things done by and the proceedings of Directors and Officers of the Company on its behalf since the last Annual General Meeting of the Company as referred to in the Annual Report and the financial statements presented to the meeting as set out in the minutes of meetings of the Board of Directors of the Company, copies of which are available for inspection by any shareholder of the Company during business hours at the Company's registered office at Suite 531 - 718 Granville Street, Vancouver 2, British Columbia;
- (d) To fix the number of Directors for the ensuing year at five (5);
- (e) To elect Directors;
- (f) To authorize the Company, pursuant to Section 150 of the "Companies Act" to take or otherwise acquire and hold the shares, stocks, or debentures of any company, wheresoever incorporated, having objects, altogether or in part, similar to those of the Company, or carrying on any business capable of being conducted so as, directly or indirectly, to benefit the Company and to sell or reissue with or without guarantee or otherwise deal with the same, and to empower the Directors to exercise such authority on the Company's behalf;
- (g) To consider and adopt, with or without amendment, the following Resolution:  
"Resolved that the agreement dated August 1, 1968 between the Company, Sandia Metals Corporation (A New Mexico Corporation), McCullough Mining Enterprises Inc. (A Panamanian Corporation) and O. J. McCullough, of Houston, Texas, whereby Sandia Metals Corporation agrees to purchase, and the Company agrees to sell 1,100,000 shares of its unissued treasury stock, for the consideration of 500,000 shares of Sandia Metals Corporation's unissued treasury stock and Sandia Metals Corporation further agrees to make a loan to the Company of \$250,000.00 to be repaid out of profits, and whereby the Company agrees to purchase and O. J. McCullough agrees to sell 51% of McCullough Mining Enterprises Inc.'s authorized, issued and outstanding capital stock for the consideration of 250,000 shares of the Company's unissued treasury stock, be and the same is hereby approved, ratified and confirmed."
- (h) To consider and adopt, with or without amendment, the following Resolution:  
"Resolved that the Company increase its interest in Double A Mines Ltd. from its present position of 45% up to 75% at any time in the future if the Directors deem it advantageous to the Company to do so, be and the same is hereby approved, ratified and confirmed."
- (i) To transact such other business as may properly be transacted at such meeting, or at any adjournment thereof, without notice.

Copies of the Annual Report of the Directors to the Shareholders and of the financial statements for the period ended June 30th, 1968 and of an information circular and Proxy form accompany this Notice.

If you are unable to attend the Annual General Meeting in person kindly read the Notes on the reverse side of the instrument of proxy enclosed herewith and then complete and return the proxy within the time set out in the Notes. As set out in the Notes, the enclosed proxy is solicited by management but you may amend it, if you so desire, by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the meeting.

DATED at Vancouver, British Columbia this 5th day of September, A.D. 1968.

ON BEHALF OF THE BOARD  
KERR E. G. GAFF  
President









**DIRECTORS**

KERR E. G. GAFF, President, North Vancouver, B.C.  
ALEXANDER H. LENECH, Vice-President, Vancouver, B.C.  
ROBERT ROONEY, Secretary-Treasurer, North Vancouver, B.C.  
EDGAR LAFLAMME, Director, Vancouver, B.C.

**TRANSFER AGENT**

GUARANTY TRUST COMPANY OF CANADA  
624 Howe Street  
Vancouver, B.C.

**AUDITORS**

MESSRS. HALLAM AND McALISTER  
475 Howe Street  
Vancouver 1, B.C.

**SOLICITORS AND REGISTERED OFFICE**

MESSRS. McFARLANE, FRIESEN AND GAFF  
Barristers and Solicitors  
531 - 718 Granville Street  
Vancouver 2, B.C.

**CAPITALIZATION**

5,000,000 Shares Par Value 50 Cents  
1,385,000 Shares Issued